

AN ACT

relating to physician incentive programs to reduce hospital emergency room use for non-emergent conditions by Medicaid recipients.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 531, Government Code, is amended by adding Sections 531.086 and 531.0861 to read as follows:

Sec. 531.086. STUDY REGARDING PHYSICIAN INCENTIVE PROGRAMS TO REDUCE HOSPITAL EMERGENCY ROOM USE FOR NON-EMERGENT CONDITIONS.

(a) The commission shall conduct a study to evaluate physician incentive programs that attempt to reduce hospital emergency room use for non-emergent conditions by recipients under the medical assistance program. Each physician incentive program evaluated in the study must:

(1) be administered by a health maintenance organization participating in the STAR or STAR + PLUS Medicaid managed care program; and

(2) provide incentives to primary care providers who attempt to reduce emergency room use for non-emergent conditions by recipients.

(b) The study conducted under Subsection (a) must evaluate:

(1) the cost-effectiveness of each component included in a physician incentive program; and

(2) any change in statute required to implement each

1 component within the Medicaid fee-for-service or primary care case  
2 management model.

3 (c) Not later than August 31, 2012, the executive  
4 commissioner shall submit to the governor and the Legislative  
5 Budget Board a report summarizing the findings of the study  
6 required by this section.

7 (d) This section expires September 1, 2013.

8 Sec. 531.0861. PHYSICIAN INCENTIVE PROGRAM TO REDUCE  
9 HOSPITAL EMERGENCY ROOM USE FOR NON-EMERGENT CONDITIONS. (a) The  
10 executive commissioner by rule shall establish a physician  
11 incentive program designed to reduce the use of hospital emergency  
12 room services for non-emergent conditions by recipients under the  
13 medical assistance program.

14 (b) In establishing the physician incentive program under  
15 Subsection (a), the executive commissioner may include only the  
16 program components identified as cost-effective in the study  
17 conducted under Section 531.086.

18 (c) If the physician incentive program includes the payment  
19 of an enhanced reimbursement rate for routine after-hours  
20 appointments, the executive commissioner shall implement controls  
21 to ensure that the after-hours services billed are actually being  
22 provided outside of normal business hours.

23 SECTION 2. If before implementing any provision of this Act  
24 a state agency determines that a waiver or authorization from a  
25 federal agency is necessary for the implementation of that  
26 provision, the agency affected by the provision shall request the  
27 waiver or authorization and may delay implementing that provision

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1 until the waiver or authorization is granted.

2 SECTION 3. This Act takes effect September 1, 2011.

H.B. No. 2245

David Newkirk

President of the Senate

Joe Straus

Speaker of the House

I certify that H.B. No. 2245 was passed by the House on April 26, 2011, by the following vote: Yeas 148, Nays 0, 2 present, not voting.

Robert Kuncy

Chief Clerk of the House

I certify that H.B. No. 2245 was passed by the Senate on May 19, 2011, by the following vote: Yeas 31, Nays 0.

Letsy Saw

Secretary of the Senate

APPROVED:

17 JUN '11

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
O'CLOCK

JUN 17 2011

Boyd R. Davis

Secretary of State